



Insurance Alliance of Michigan Position  
Chiropractor Scope of Practice Expansion  
Senate Bill 282 & 283  
December 12, 2017

The Insurance Alliance of Michigan (IAM) strongly opposes Senate Bill 282 & 283 to require auto and workers' compensation insurance carriers to pay for expanded chiropractor services allowed by Public Acts 221-227 of 2009.

In 2009, Michigan's Legislature enacted bills to expand the scope of practice for chiropractors in terms of examination, evaluation, diagnosis and treatment. At that time, no-fault, workers' compensation and other insurance providers were exempted from the requirement to pay for the expanded chiropractic services. In fact, both bill sponsors of today's legislative proposals voted for those exemptions in 2009.

Senate Bills 282 and 283 would eliminate auto and workers' compensation insurers' exemption and require them to pay for the increased services provided by chiropractors.

Under Michigan's current no-fault law, auto insurance companies are obligated to reimburse for all "reasonable charges incurred for reasonably necessary products, services and accommodations for an injured person's care, recovery or rehabilitation." MCL 500.3107(1)(a). As such, Michigan is the only state in the country that has no cap on medical benefits or treatment protocols and auto insurance companies have very limited ability to control medical cost reimbursements associated with auto accident injuries.

During the past decade, auto insurance medical care costs have risen 20 percent in Michigan, while inflation increased 11 percent. From 2006 to 2016, the average auto insurance medical claim almost doubled from \$26,989 in 2006 to \$55,103 in 2016.

A national study by the Centers for Medicaid and Medicare Services found that there was a 28% increase in Medicare expenditures for chiropractic care when chiropractors' scope of practice was expanded. That is four times the increase in the medical inflation rate. An increase in costs to the no-fault auto insurance system is just as likely if they are required to pay for more services.

Workers' compensation and other commercial lines carriers operate under different statutory mandates but share the same concerns about increased scope of chiropractic practice leading to significant increases in utilization and cost.

Michigan's property and casualty insurance industry is very concerned that increased utilization of chiropractic services and consequential testing and treatment will add to the cost of an already burdened Michigan's no-fault auto and workers' compensation insurance systems.

The Insurance Alliance of Michigan opposes the Senate Bill 282-283 due to the increased costs ultimately borne by Michigan insurance consumers.

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